## REMARKS/ARGUMENTS

In the December 28 Office Action, claims 1-10 were allowed and claim 12 was found to recite patentable subject matter. However, the Examiner objected to the language of claims 1, 6, 7, 10 and 11. Amendments have been made to address all of the Examiner's objections. The revisions to claims 1, 6, 7 and 10 are minor and non-limiting. Note that "a connector" is no longer positively recited in claim 1, as suggested by the Examiner. New claim 14 is similar in scope to claim 7 but depends from claim 4 rather than from claim 1.

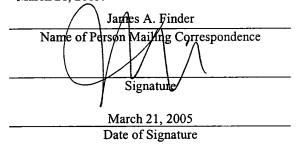
Substantial amendments have been made to clarify claim 11. Thus, the claim now reads on the method using the first and second seabed transponders STP1 and STP2, <u>plus</u> the step of determining the distance between them; installing the first pipe transponder PTP1; determining the distance between PTP1 and STP2; and since the seabed transponders are close to the pipelay route centerline, the distance between PTP1 and STP2 can be used to establish the remaining length of pipeline needed to reach the target (second) position near STP1. This revised claim 11 satisfies the Examiner's requirements.

New claims 13 and 15-17 are also added. Claim 13 depends from claim 11 and recites the additional features of installing the third seabed transponder STP3; installing the second pipeline transponder PTP2; and determining the distance between STP3 and PTP2 so as to further establish the remaining length of pipeline needed to reach the second position. New claims 15-17 are similar to claims 11-13, but do not recite any first seabed transponder STP1, which would be unnecessary. Claims 15-17 recite determining the distance D', not the manner in which that distance is determined. Claim 15 recites installing a seabed transponder (STP2); installing a pipe transponder (PTP1); and determining the distance between PTP1 and STP2 so as to establish the remaining length of pipeline needed to reach the second position. Claims 16 and 17 correspond closely to claims 12 and 13, respectively.

The Examiner cited the Harmel patent against claim 11. Harmel is directed mainly to a transponder, not a method of laying out transponders with a pipeline on the seabed. Now that claim 11 has been clarified by the present amendments, that claim is submitted not to be anticipated by Harmel.

## In view of the foregoing, allowance of claims 1-17 is requested.

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